

"THEY CAN'T EAT YOU..."

...OR WHAT I LEARNED AFTER 43 YEARS AS A MANUFACTURERS' REPRESENTATIVE"



BY JOHN BEAVER

They can't eat you...or what I learned after 43 years as a manufacturers' representative

by John Beaver
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At age 26, I decided to start my own agency. Looking back after more than 43 years, I can honestly say it is a career choice I have never regretted.

Over the years, I have learned many lessons—some from success, but probably more from mistakes. The good, the bad and sometimes the frustrating experiences have all helped shape how I run my business and how I work with customers, principals and employees.

I thought I would share some of my favorite sayings and lessons with those of you willing to spend a few minutes reading this article.

1. It's cheaper to make mistakes.

As a successful rep owner, outside sales engineer or inside support person, you know how to do your job. You know how to get things done correctly, efficiently and with minimal mistakes.

However, if you want to grow your company, you have to learn to delegate. That is not always easy. When you delegate, the job may not always be done exactly the way you would have done it. In fact, sometimes mistakes will happen that you personally would have avoided.

For years, I heard people say, "It's faster and easier if I just do it myself." That may be true, but if you do everything yourself, you limit how much your company can grow. I eventually accepted that delegation comes with risk. The person you trust may make a mistake, but by allowing them to take responsibility, you free yourself to focus on opportunities and responsibilities that only you can handle.

So, remember: It's cheaper to make mistakes than it is to become the reason your company cannot grow.

2. One mistake will not get your firm fired.

Many people in our business worry that one mistake—a missed email, a bad quote or a poor decision—will cost them a principal. In my experience, that usually isn't true. If one honest mistake is enough to get you fired, the relationship probably had problems already. Own the mistake. Fix the problem. Learn from it. Then move forward.

3. Remember the Red Baron.

The Red Baron, the famous World War I flying ace, was credited with shooting down more than 80 Allied aircraft. Not a good thing for our side. However, what many people don't know is that he himself was shot down numerous times. The last time, of course, was fatal.

I tell this story to new employees because it makes an important point: If you are not out there calling on customers, making decisions and taking chances, you will never get shot down. In other words, you will never make a mistake. Yet I would rather have someone willing to make thoughtful decisions, even if they occasionally make the wrong one, than someone too afraid to act.

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4. It's never the line you think will fire you that does.

This isn't always true, but it happens often enough to mention. Many reps spend countless nights worrying about the principal they believe may replace them. That kind of worry is a recipe for lost sleep.

Do your best for every line. Give every principal the attention and effort they deserve. If you do that, you can sleep well knowing you did your job.

5. Repping is a house of cards.

Accept it and move on. Companies merge. Management changes. Products disappear. Territories change. Strategies change. Our business can be unpredictable.

The key is not to let one principal control your future. If you have one line that dominates your company, work hard to add more lines. Diversification is not just good business, it gives you peace of mind.

6. Beware of the time thief.

Sometimes—and this is not always

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easy—you need to say no. Some principals demand more time than they are worth. They consume resources, attention and energy that could be better spent growing your business.

Push back respectfully. Explain your concerns. Try to find a solution. But remember, resigning a line is always an option if the relationship is hurting your company and your other principals. Your time is your most valuable asset.

7. Threatening the stick instead of offering the carrot does not work in sales.

This is an old management style: "Sell more, or else." I have never believed that threats are stronger than incentives. If someone is not doing their job, a serious conversation is necessary. Expectations need to be clear, and accountability matters. But people perform best when they are recognized for their successes and coached through their challenges.

Celebrate the wins. Discuss the losses. Help people improve.

8. The "Friday Rule."

Early in my career, while working for a rep firm before starting my own firm, my boss would occasionally deliver bad news on a Friday. During those impressionable years, I learned firsthand how much that could affect someone. You would spend the entire weekend thinking about it, with no opportunity to do anything about it until Monday.

After hiring my first employee at GSA, I created what I call the Friday Rule—a simple rule that I expect everyone to follow: We don't deliver bad news on Friday unless there is something the person can actually do about it. That includes terminations, which I try to handle on a Monday whenever possible. My thinking is simple: if someone is going to lose their job, I want them to have the weekend ahead of them, not behind them. It gives them a chance to start making calls, reaching out to contacts and perhaps even getting a lead on a new opportunity before the next week begins.

9. Sometimes the job you lose will not be your own.

Repeated poor performance, ignoring a principal or failing to support a product line can eventually lead to losing that business. But remember, the consequences affect everyone. A lost line that produces significant revenue can result in layoffs. The person who loses their job may not be the person responsible for the problem.

That is why everyone in a rep firm needs to think like an owner. We are a team.

10. They can't eat you.

This is probably the phrase I have repeated more than any other. Yes, the shipment is late. Yes, the customer is upset. Yes, something went wrong. But when the day is over, we are all going home. Unlike doctors, first responders, members of the military and others who truly deal with life-and-death situations, most of the problems we face in our business are not life-threatening.

Do your best. Care about your customers and principals. Work hard to solve problems. But keep things in perspective. They can't eat you.

11. Keep people informed.

One of the easiest ways to build trust is communication. Return phone calls. Answer emails. Respond to texts. If you don't have the answer yet, say so. A simple message saying, "I don't have an answer yet, but I am working on it and will update you," goes a long way.

Silence creates frustration. Communication builds confidence.

12. Treat every principal like they are number one.

Unless a greater opportunity comes along, every principal deserves to feel like they are your most important partner. Seriously, treat them well. Today's small line could become tomorrow's major opportunity. Relationships matter. People remember how you treated them.

13. Sometimes losing a principal is the best thing that can happen.

Let me finish with a real-life story. Years ago, one of our largest principals, an interconnect manufacturer who shall remain nameless, became what I would describe as both a "sales by whip" company and a "time thief." They demanded a tremendous amount of our time and attention.

During our relationship, our team developed a highly profitable military account from the ground up. This was not a customer they gave us. It was an opportunity we created through years of hard work, customer relationships and persistence.

One day, they informed us they were taking the account direct. Had it been an account that we had not truly developed, I probably would not have reacted strongly. But this was different. We believed we had earned that business, and I expressed my disappointment.

After that, I decided my time and attention would be better spent supporting principals who valued our partnership. When their next national sales meeting occurred, I chose not to attend and sent my vice president instead. They knew I was unhappy. Not long afterward, they arranged to meet me at JFK Airport and personally informed me they were terminating our agency. My first words were: "This is not an unhappy day." They were surprised.

Of course, losing such a large line was not without consequences. We had to lay off three people. Fortunately, all three employees

found new opportunities. One with a direct competitor.

Then something interesting happened. GSA shifted direction. We focused our energy on other principals. We added new lines. We grew. Eventually, we added seven more employees. Looking back, losing that principal was one of the best things that happened to our firm. It reinforced everything I have written about in this article: Do not allow one principal to control your destiny. Do not let a time thief consume your resources. Invest your energy where it is appreciated. Sometimes losing something you thought you needed is exactly what allows you to grow.

And after 43 years in this business, I can tell you one thing with certainty: They can't eat you. ■

Do your best. Care about customers and principals. Work hard to solve problems. But, keep things in perspective.

About the Author

John Beaver founded GSA Optimum, based in Oakdale, New York, in 1984. Today, the rep firm employs 31 people across three offices serving customers throughout the Northeast and Mid-Atlantic, from Maine to Virginia. John is an active member of MANA, ERA and NEMRA. As a member of ERA, he served as President first then Chair of the Metro New York Chapter for more than 20 years. He also previously served as the National Chair of MANA (Manufacturers' Agents National Association).

